

**GOVERNMENT**

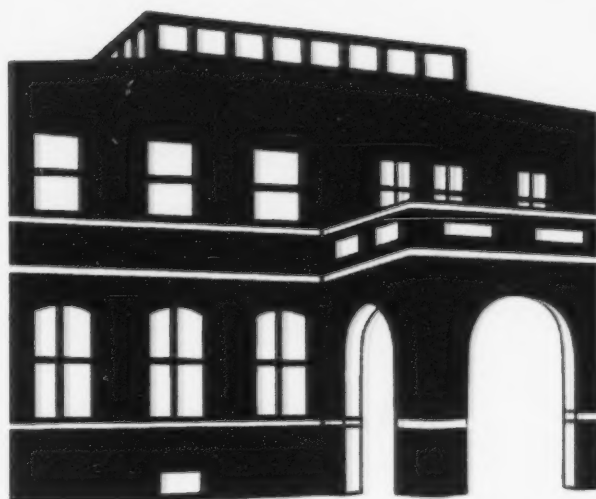
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**FOUNDATION**

**ANNUAL REPORT**  
**2010-2011**



**GOVERNMENT**

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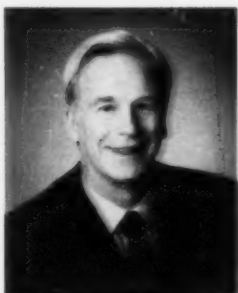
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**FOUNDATION**



## Letters of Transmittal



The Honourable Dr. Gordon L. Barnhart, S.O.M.  
Lieutenant Governor of the Province of Saskatchewan

Your Honour:

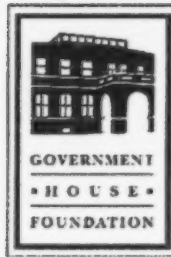
It is my privilege to submit the Annual Report of The Government House Foundation for the period ending March 31, 2011.

The Government House Revitalization Project will continue to demonstrate the Foundation's commitment to preserve and enhance Government House, including its museum and heritage property, as well as to promote public awareness of the historical, educational and cultural value of the property.

Respectfully submitted,

A handwritten signature in dark ink that reads "Bill Hutchinson". The signature is written in a cursive, slightly stylized font.

Bill Hutchinson  
Minister Responsible for  
The Provincial Capital Commission



The Honourable Bill Hutchinson  
Minister Responsible for the Provincial Capital Commission  
Room 345 - Legislative Building  
REGINA SK S4S 0B3

Minister Hutchinson:

It is my pleasure to submit the Annual Report of the Government House Foundation for the period ending March 31, 2011.

With the initial rehabilitation of the Edwardian Gardens complete, the Government House Foundation Board of Trustees has now turned their focus towards the renewal, revitalization and promotion of the entire Government House heritage property.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles H. Knight", is written over a horizontal line.

Charles H. Knight  
Chairperson, Board of Trustees

## **Introduction**

The Government House Foundation (Foundation) was established by regulation under the authority of the *Historic Properties Foundation Act*, on January 21, 2002. The site in the City of Regina commonly known as Government House is the historic property for which the Foundation was established. It was designated as a National Historic Site in 1968 and as a Provincial Heritage Property on August 26, 1981.

## **A Canadian Treasure**

Government House is a National Historic Site and Provincial Heritage Property and is truly a Canadian treasure. Built in 1891, it is a defining element of the province's beginnings and has an important role in the Saskatchewan story, providing insight into the unique history of our province. This grand building first served as the official residence of the Lieutenant Governor of the North-West territories. Restored to the period of Lieutenant Governor Amédée Forget, who held office from 1898-1910, the museum offers a glimpse of life at Government House in the early 20<sup>th</sup> century.

## **Our Goal**

The goal of the Government House Foundation is to preserve and enhance the Government House Heritage Property by promoting public awareness of its character, setting and décor, the historic and cultural values, significant events in the governance of Saskatchewan and the history of the province itself. To enable the Foundation to carry out this goal it must seek and obtain gifts, grants, bequests, donations and other funds and property.

## **Our Objective**

Government House is an educational and historical resource for all of Canada. The Government House Centennial Project and subsequent rehabilitation of the Edwardian Gardens has continued to contribute towards exciting growth and development of Government House and the surrounding grounds. The commencement of the Government House Revitalization Project will ensure that the site remains a destination of choice for the people of Regina, Saskatchewan, Canada and the international community.

## **Our Focus**

With the rehabilitation of the Edwardian Gardens complete, the Government House Foundation has now turned their focus towards the on-going renewal, revitalization and promotion of the entire Government House heritage property.



**Figure 1 - The Government House Revitalization Project will support Government House in achieving the objective of renewal and revitalization.**

## **The Government House Revitalization Project**

In February 2010, the Foundation commissioned the services of a consultant to draft a *Vision Framework* planning document which will be used as a guide for the Government House Revitalization Project. The goal of the project is to develop a strong marketable identity for Government House and allow it to become a diverse educational centre, a must-see tourist destination and a source of pride that will foster heritage appreciation and stewardship in the people of Regina and Saskatchewan. The planning document *Vision Framework* includes recommendations for immediate improvement to Government House, on-going enhancements and a five-year developmental plan.

The project will include the Amédée Forget Museum, the J.E.N. Wiebe Interpretive Centre, the Edwardian Gardens, Gift Shop and education programs offered at Government House. The plan serves as a master plan to guide and inspire the ongoing renewal of Government House. It describes how Government House can meet the needs of its diverse audiences most effectively, and will help ensure that human resources and available budgets are allocated most effectively in support of these goals.

A draft of the plan was presented to the trustees in February 2011. Final revisions based on trustees' feedback are currently being incorporated into the document.



## **What We Achieved in 2010-11**

### **Youth Mentorship Program**

During the centennial year of the province, the Foundation received funding from Cameco Corporation for the development of a school program for Saskatchewan youth at Government House. The purpose of the program was to bring students to the capital city to participate in a number of learning ventures not normally available to them. In May 2010, the Youth Mentorship Program was launched by the Office of the Provincial Capital Commission, with 14 students from three northern schools participating. The Foundation also received sponsorship from the ministries of First Nations and Métis Relations, and Education.



**Figure 2 - Students from the 2010 Youth Mentorship Program, Government House Foundation Board of Trustee members, and Cameco representatives at the donor recognition event held in May 2010.**

The program provided students the opportunity to meet the Lieutenant Governor, the House Speaker, Cabinet Ministers, and Members of the Legislative Assembly. They were given tours of the Legislative Building and Government House. The students also attended the donor recognition event for Cameco Corporation and met with representatives from Cameco and the Foundation.



**Figure 3 - Students from the Youth Mentorship Program participate in team building and leadership development training at the Beaver Creek Horse Center.**

The program also brought the students to the RCMP Training Academy, the University of Regina, and at the Beaver Creek Horse Center they attended a workshop in team building and leadership development. The program was deemed to be a success; the Foundation received numerous positive reviews and expressions of gratitude from the students. Plans are currently underway to continue the program on annual basis.

## **Celebrate Canada Program**

In the spring of 2010, the Foundation received funds from the Celebrate Canada Committee for Saskatchewan for the purposes of developing youth and family-related events and programs supporting Canada Day celebrations. The Foundation utilized these funds by supporting activities and programming held at Government House at the annual Lieutenant Governor's Garden Party on Canada Day. Specifically, the funds were used to purchase educational materials for children, banners and promotional items, event staging and entertainment for the Canada Day celebration held at Government House.



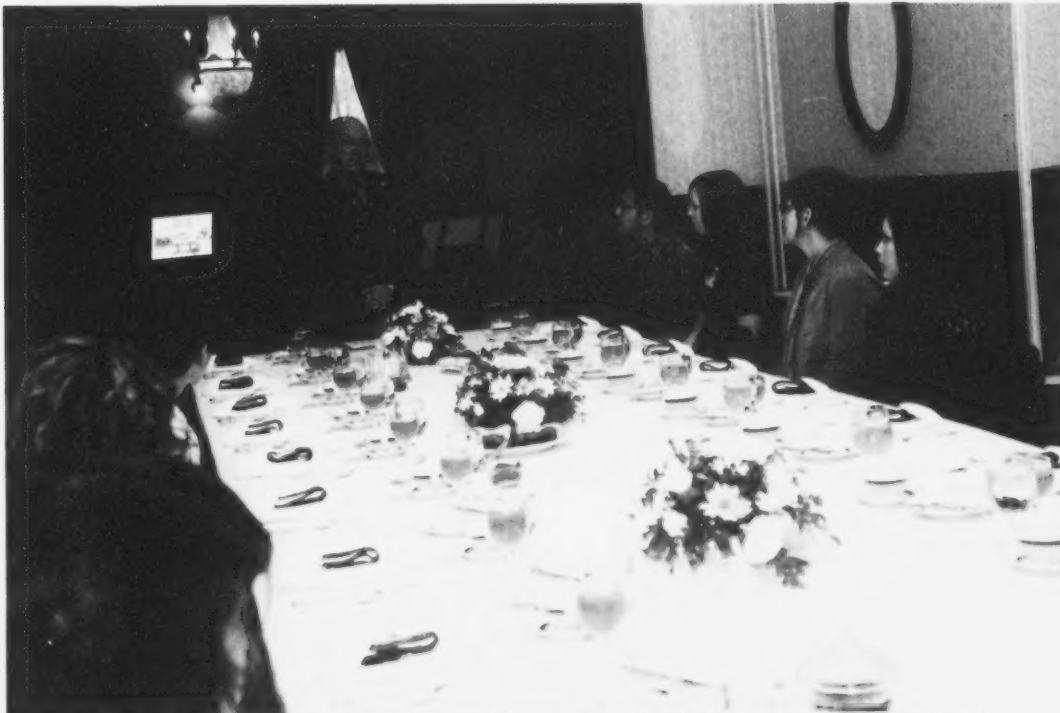
**Figure 4 - Celebrate Canada "Discovery" backpacks were handed out to children at the annual Lieutenant Governor's Garden Party.**

### **Food Service – “Butler’s Pantry”**

The Foundation supported a food service initiative at Government House during the summer months of 2010. For the first time at Government House, visitors had the opportunity to purchase light lunches and refreshments at a service known as the “Butler’s Pantry”. This service was offered on a cost-recovery basis and was a highly successful initiative focusing on improving the visitor experience at Government House. The Foundation plans to continue their support of the food service at Government House in future years as part of the renewal and revitalization of the property.

### **Our Future Plans**

The Government House Foundation will continue to look for opportunities to offer a variety of accessible programs at Government House, such as the Youth Mentorship Program, for all age groups and allow visitors to customize their own memorable experience.



**Figure 5 - Students from the Youth Mentorship Program meet with the Lieutenant Governor at Government House.**

## **Board of Trustees**

The Government House Foundation Board is responsible for the administration of the Foundation. Trustees of the Foundation are appointed by the Lieutenant Governor in Council. The trustees represent business, community, and government interests from across Canada, signifying the national importance of the Government House. As of March 31, 2011, the Board of Trustees was comprised of the following members:

### ***Government House Foundation Board of Trustees***

<i>Patron</i>	<b>His Honour the Honourable Dr. Gordon L. Barnhart, S.O.M.,</b> Lieutenant Governor of Saskatchewan
<i>Chairperson</i>	<b>Charles H. Knight,</b> Chief Executive Officer Denro Group of Companies, Regina
<i>Vice-Chairperson</i>	<b>Fredrick D. (Rick) Mantey,</b> Cabinet Secretary Executive Council and Office of the Premier, Regina
<i>Secretary-Treasurer</i>	<b>Wanda Lamberti,</b> Executive Director Central Management Services Office of the Provincial Capital Commission, Regina
<i>Trustees</i>	<b>The Honourable A. Raynell Andreychuk,</b> Senator Regina and Ottawa  <b>Dean Burns,</b> Barrister and Solicitor Calgary  <b>Paul J. Hill,</b> Chairman, President, and Chief Executive Officer The Hill Companies, Harvard Developments Inc., Regina  <b>Karen Jackson,</b> President and Member Government House Historical Society, Regina  <b>F. William Johnson, Q.C.,</b> Barrister and Solicitor Regina  <b>Jacqui Shumiatcher, S.O.M., LL.D.,</b> Regina

### *Honorary Trustees*

**The Honourable Dr. Sylvia O. Fedoruk, O.C., S.O.M.**  
Saskatoon

**The Honourable Dr. Lynda M. Haverstock, C.M., S.O.M.**  
Regina

**Joyce Johnson on behalf of**  
**The Honourable Frederick W. Johnson**  
Regina

**The Honourable Pamela Wallin, O.C., S.O.M., Senator**  
Ottawa

**Ann Wiebe on behalf of**  
**The Honourable J.E.N. (Jack) Wiebe**  
Swift Current

### **Supplementary Financial Information**

#### ***Personal Services***

No individuals received payments for salaries, wages, honorariums, etc.

#### ***Supplier Payments***

HKA Productions Inc. received \$134,425 for work performed on the Government House Revitalization Project.

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### **Where to Obtain Additional Information**

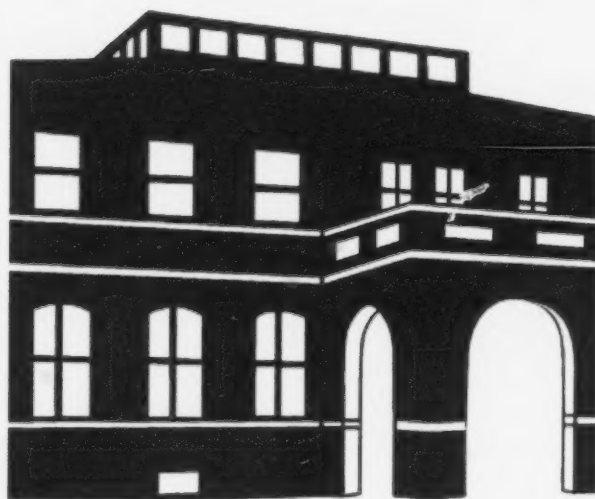
For further information about the Government House Foundation or to make a donation please contact us:

Executive Director  
Government House  
Telephone: (306) 787-5720

Government House Foundation  
Government House  
4607 Dewdney Avenue  
Regina SK S4T 1B7







**GOVERNMENT**

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**FOUNDATION**

**Financial Statements**  
**March 31, 2011**





### **Management's Responsibility for Financial Statements**

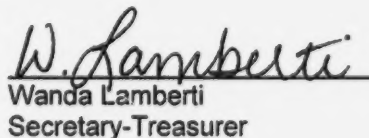
The management of the Government House Foundation is responsible for the preparation and presentation of the financial statements. These statements have been prepared in accordance with generally accepted accounting principles for the public sector in Canada, consistently applied using management's best estimates and judgments where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information in this Annual Report.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained.

The Provincial Auditor has audited the Financial Statements. His report to the Members of the Legislative Assembly, stating the scope of his examination and opinion on the Financial Statements, appears within this report.

On behalf of Management:

  
Charles H. Knight  
Chair

  
Wanda Lamberti  
Secretary-Treasurer



SASKATCHEWAN

## Provincial Auditor Saskatchewan

1500 Chateau Tower  
1920 Broad Street  
Regina, Saskatchewan  
S4P 3V2

Phone: (306) 787-6398  
Fax: (306) 787-6383  
Web site: [www.auditor.sk.ca](http://www.auditor.sk.ca)  
Internet E-mail: [info@auditor.sk.ca](mailto:info@auditor.sk.ca)

### INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Government House Foundation, which comprise the statement of financial position as at March 31, 2011, and the statement of operations and accumulated surplus and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government House Foundation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan  
June 16, 2011

Bonnie Lysyk, MBA, CA•CIA  
Provincial Auditor

**GOVERNMENT HOUSE FOUNDATION**  
**Statement of Financial Position**  
**As at March 31, 2011**  
*(in dollars)*

	2011	2010
<b>Financial Assets</b>		
Cash due from General Revenue Fund ( <i>note 3</i> )	110,056	147,187
Grants receivable	-	300,000
Interest receivable	316	75
Pledges receivable ( <i>note 4</i> )	-	10,000
<b>Total Financial Assets</b>	<b>110,372</b>	<b>457,262</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	49,472	241,262
Deferred revenue ( <i>note 5</i> )	18,983	51,455
<b>Total Liabilities</b>	<b>68,455</b>	<b>292,717</b>
<b>Net Financial Assets</b>	<b>41,917</b>	<b>164,545</b>
<b>Accumulated Surplus</b>	<b>41,917</b>	<b>164,545</b>

*The accompanying notes are an integral part of these financial statements.*

**GOVERNMENT HOUSE FOUNDATION**  
**Statement of Operations and Accumulated Surplus**  
**For the year ended March 31, 2011**  
*(in dollars)*

	<b>Annual Budget (note 9)</b>	<b>2011</b>	<b>2010</b>
<b>Revenue</b>			
Grant (notes 7 & 8)	-	23,000	800,000
Donations and pledges	15,000	-	1,000
Restricted contributions (note 5)	41,250	32,472	-
Food service	2,500	3,626	-
Interest	1,000	1,351	1,066
<b>Total Revenue</b>	<b>59,750</b>	<b>60,449</b>	<b>802,066</b>
<b>Expense</b>			
Food service	2,500	4,621	-
Meetings	300	53	222
Printing and courier	300	252	323
<b>Total Operating Expense</b>	<b>3,100</b>	<b>4,926</b>	<b>545</b>
Excess of revenue over operating expenses	56,650	55,523	801,521
Contribution towards construction (note 6)	-	-	(877,876)
Government House Revitalization Project (note 7)	(124,324)	(134,425)	(18,176)
Use of restricted contributions (note 5)	(32,250)	(32,472)	-
Youth Mentorship Program (note 8)	(9,000)	(11,254)	-
<b>Deficit</b>	<b>(108,924)</b>	<b>(122,628)</b>	<b>(94,531)</b>
Accumulated Surplus, Beginning of year	164,545	164,545	259,076
<b>Accumulated Surplus, End of Year</b>	<b>55,621</b>	<b>41,917</b>	<b>164,545</b>

*The accompanying notes are an integral part of these financial statements.*

**GOVERNMENT HOUSE FOUNDATION**  
**Statement of Cash Flow**  
**For the year ended March 31, 2011**  
*(in dollars)*

	2011	2010
<b>Operating Activities</b>		
Deficit	(122,628)	(94,531)
Decrease (increase) in receivables	309,759	(290,000)
Decrease in accounts payable and accrued liabilities	(191,790)	(170,970)
(Decrease) increase in deferred revenue	(32,472)	32,250
<b>Cash Used for Operating Activities</b>	<b>(37,131)</b>	<b>(523,251)</b>
 <b>Decrease in Cash</b>	 <b>(37,131)</b>	 <b>(523,251)</b>
Cash, beginning of year	147,187	670,438
<b>Cash, End of Year</b>	<b>110,056</b>	<b>147,187</b>
 <b>Cash consists of:</b>		
Cash due from General Revenue Fund	110,056	147,187

*The accompanying notes are an integral part of these financial statements.*

**GOVERNMENT HOUSE FOUNDATION**  
**Notes to the Financial Statements**  
**As at March 31, 2011**

**1. Authority**

The Government House Foundation (Foundation) was established on January 21, 2002 by The Government House Foundation Regulations and falls under the authority of *The Historic Properties Foundations Act*. Government House was designated as a Provincial Heritage Property on August 26, 1981.

The mandate of the Foundation is:

- a) To preserve and enhance the Government House; and
- b) To promote public awareness of:
  - the character, setting and decor of the Government House;
  - the historic and cultural values of the Government House;
  - the significant events in the governance of Saskatchewan; and
  - the history of Saskatchewan generally.

Funding for the Foundation is obtained primarily through gifts, grants, bequests, donations and interest revenue.

**2. Significant Accounting Policies**

These financial statements are prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Canadian Public Sector Accounting Board. A statement of net debt has not been prepared as the information is readily determinable from the other statements. The following accounting policies are considered significant:

**a) Revenue**

**Grants**

Government grants are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.

**Donations and pledges**

Donations are recorded as revenue in the fiscal period in which they are received by the Foundation. Donations-in-kind are recorded at fair market value on the date of their donation.

Pledges are recorded as revenue when written pledge documents are received by the Foundation and there is a commitment to pay prior to the next year-end.

**GOVERNMENT HOUSE FOUNDATION**  
**Notes to the Financial Statements**  
**As at March 31, 2011**

**Restricted contributions**

Externally restricted contributions are deferred and recognized as revenue in the year expenses are incurred for the specified purpose.

**Food Service**

During the year the Foundation supported a food service program at Government House known as the "Butler's Pantry". The program was operated on a cost recovery basis and revenue is recognized as received.

**Interest revenue**

Interest revenue is recorded in the year received or receivable.

**b) Use of Estimates**

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**c) Fair Value**

The Foundation's financial instruments include cash due from the General Revenue Fund, grants receivable, interest receivable, pledges receivable, accounts payable and accrued liabilities. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no interest or credit risk.

**3. Cash Due from General Revenue Fund**

The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. The Foundation earns interest on a quarterly basis, calculated on the Government's thirty-day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty-day borrowing rate for the year was 0.80% (2010 – 0.27%).

**4. Pledges Receivable**

All pledges receivable have been received by the Foundation.



**GOVERNMENT HOUSE FOUNDATION**  
**Notes to the Financial Statements**  
**As at March 31, 2011**

**5. Externally Restricted Contributions**

Deferred revenue represents funds donated by Cameco to be used for youth programming at Government House and funds donated by the Celebrate Canada Committee to be used for Canada Day celebrations.

<i>(in dollars)</i>	<b>2011</b>	<b>2010</b>
Deferred revenue, beginning of year	51,455	19,205
Celebrate Canada donation		32,250
Use of Celebrate Canada funds	(32,472)	
Deferred revenue, end of year	18,983	51,455

In 2010 funds were used for youth programs and activities at Government House during the Canada Day Celebrations.

**6. Contribution Towards Construction**

Construction was completed on the Edwardian Gardens in the 2010 fiscal year on the final phase of the Government House Centennial Project. The Project was funded through donations raised for the Government House Centennial Project and Urban Development Grants of \$1.1 million.

**7. Government House Revitalization Project**

In the 2009-10 fiscal year the trustees approved the use of funds from the Government House Centennial Project to engage a consultant to assist in the revitalization of Government House. This project was announced on February 3, 2009 and will address the question of why visitors should come to Government House, ensuring representation of the past/present/future of Government House in a fun and educational environment that holds appeal for all generations. The Foundation has also received grant funding from the Office of the Provincial Capital Commission to assist in travel costs of the project.

**8. Youth Mentorship Program**

During the 2008-09 fiscal year the trustees approved support of the Youth Mentorship Program which is administered by the Office of the Provincial Capital Commission. The Program provides northern students the opportunity to travel to the Capital city and participate in a number of learning ventures not normally available to them. This program is funded through grants from the Ministry of Education, and the Ministry of First Nations and Métis Relations.



**GOVERNMENT HOUSE FOUNDATION**  
**Notes to the Financial Statements**  
**As at March 31, 2011**

**9. Budget**

The 2010/11 budget was approved at the Annual General Meeting by the Board of Trustees on June 24, 2010.

**10. Related Party Transactions**

The Foundation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan; Saskatchewan Crown agencies; non-Crown enterprises that the Government jointly controls or significantly influences; and trustees and their corporations over which they have significant control. The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. Provincial Sales Tax to the Saskatchewan Ministry of Finance is included in the cost of the related purchases.

The Office of the Provincial Capital Commission provided administrative services at no charge to the Foundation.

<i>(in dollars)</i>	<b>2011</b>	<b>2010</b>
Interest receivable	316	75
Accounts payable and accrued liabilities	-	223,088
Grant revenue	23,000	-
Interest revenue	1,351	1,066
Contribution towards construction	-	877,876